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DEPARTMENT FOR USAID
TUNIS FOR ANDREW MITCHELL

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TAGS: [PREL](#) [KMPI](#) [KDEM](#) [PTER](#) [YE](#)
SUBJECT: FREEDOM AGENDA TAKES A MAJOR STEP FORWARD IN
YEMEN, BUT WE MUST KEEP MOMENTUM

Classified By: AMBASSADOR THOMAS C. KRAJESKI, FOR REASONS 1.4 (B) AND (D).

11. (C) SUMMARY: September's open and competitive elections capped seven months of intensive USG pressure, coordinated with other donors and international NGOs, to bring about democratic and economic reforms in Yemen. While the road ahead is long, the Republic of Yemen Government (ROYG) has with our prodding and assistance implemented significant reform measures that have resulted not only in fair elections, but also a marked improvement in press freedom, a more independent and competent judiciary, the drafting of tough new laws on government procurement and anti-corruption, and a cabinet re-shuffle that brought many reform-minded ministers into power.

12. (C) Our challenge over the next year will be to maintain and build on this momentum through continued pressure on the ROYG at the highest levels in both public and private, while offering our assistance where possible. With these reforms, the ROYG has made our Freedom Agenda its own, and by doing so has finally recognized that our highly effective cooperation on direct action counter-terrorism forces cannot by itself bring about security and stability without increased democratic and economic freedom for the Yemeni people. END SUMMARY

DONORS BRING DOWN THE GOVERNMENT

13. (C) On February 8, Ambassador, DCM, and the German, Dutch and UK ambassadors presented President Saleh with a tough message: the ROYG must reform, or donor assistance will decline. Three days later, Saleh dramatically dismissed his cabinet and addressed the nation in a speech that committed his government to a path of democratic and economic reform. The President removed himself formally from the Supreme Judicial Council, calling for a fully independent judiciary. Saleh named several new ministers with reformist credentials to critical posts such as Finance, Oil, Justice, and Development. He also empowered a group of young technocrats to draft new legislation creating a government procurement system consistent with international standards, and a new, independent anti-corruption body with prosecutorial powers.

14. (C) With NEA/PI assistance, post quickly coordinated a visit by international consultants to help draft the new procurement law and "market" it to the young technocrats' superiors. Ambassador urged Saleh on October 1 to put both the procurement and anti-corruption bills before Parliament as soon as possible. The next day, government newspapers headlined with Saleh's directive to his party (which controls

80 percent of parliamentary seats) to take up the bills at the end of October, immediately after the Eid al-Fitr holiday.

15. (C) From March to September, Ambassador and DCM called on the new reformist ministers, who requested USG assistance in a wide range of areas. For example, the Finance Minister asked for help in privatizing state-owned enterprises, and establishing internationally recognized standards for Yemen's private sector, with a view toward the creation of Yemen's first stock market. The Minister of Justice sacked or retired more than a dozen judges widely viewed as corrupt or incompetent, replacing them with a number of alumni of USG-funded training programs. He named Yemen's first woman Supreme Court justice, and brought women into the judicial training institute for the first time. The Minister also asked for the expansion of MEPI's successful Commercial Law Development Program.

PRESS FREEDOM FLOURISHES AGAIN

16. (C) After a number of aggressive interventions with Saleh and his advisors, and well-publicized interviews by Ambassador and DCM, the ROYG reversed its disappointing record on press freedom. From January 1 onward, cases of journalist harassment declined precipitously compared to the same period during the previous year. In April, the Government withdrew a controversial draft press bill from consideration. Even more significantly, following personal interventions with President Saleh by the DCM and the head of the USG-funded National Democratic Institute, the ROYG allowed the opposition equal coverage in government-owned broadcast and print media during the election campaign.

LANDMARK ELECTIONS

17. (C) Overall, the most significant and illustrative example of Yemen's successful reform measures was September's presidential and local council elections. After several years of NDI training on the concepts of coalition building and advocacy, the five major opposition parties -- from Islamists to Socialists -- created an umbrella party and named a single candidate to challenge President Saleh. In an impressive display of freedom of assembly, the opposition staged rallies attended by tens of thousands of supporters in all of Yemen's 20 governorates. The opposition candidate and pro-opposition media railed against the President, his family, corruption, and the mismanagement of the economy -- all without repercussion from the ROYG.

18. (C) While there were isolated instances of violence and electoral violations leading up to and on Election Day, the election was overall remarkably non-violent, and even the opposition does not contest the fact that Saleh won by a sizeable margin. Both the President and the opposition pointed out flaws in the administration of the elections, and publicly vowed to address them before the 2009 parliamentary elections with USG and EU assistance. Local and international NGOs have already begun brainstorming with ruling party and opposition members about programs they could carry out that would help improve the next election cycle.

COMMENT

19. (C) COMMENT: Yemen did not turn into Sweden over the past seven months. Corruption, press freedom, and economic liberalization are all still uphill battles in this country. The events of the past several months have demonstrated, however, that aggressive intervention by the Embassy and other donors, coupled with flexible funding mechanisms like MEPI, can make a real difference. We must keep up the momentum. If we allow Yemen to return to the downward trajectory it was on last year, our investments in successful

direct action counter-terrorism units like the CSF-CTU and the Coast Guard will do little to stop Yemen's slow descent into state failure, with overwhelmingly negative consequences for the security of the region and the United States.
Krajeski

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